

COLORADO DEPARTMENT OF
LABOR AND EMPLOYMENT
EMPLOYER WEBINAR SERIES

Calculating Premiums

Division of Family and Medical Leave Insurance
famli.colorado.gov
June 30, 2022



COLORADO
Department of
Labor and Employment



About FAMLI Webinar Series

Housekeeping:

- Copy of the presentation will be available on famli.colorado.gov.
- Please ask your questions in the Q&A function of the Zoom meeting, chat is disabled
- Questions and answers will be posted on our website.

Previous webinars on our [YouTube Channel](#)

- FAMLI and Local Governments
- FAMLI and Other Types of Leave
- How To Prepare Your Small Business for FAMLI

What is FAMLI?

- Colorado's Family and Medical Leave Insurance (FAMLI) program will ensure all Colorado workers have access to paid leave during certain life events.
- Colorado's FAMLI program will have capacity to cover most workers, including self-employed individuals and independent contractors.
- The FAMLI program is a social insurance program with both employers and employees contributing to the fund that will eventually pay out benefits.
- The premiums are set to 0.9% of the employee's wage, with 0.45% paid by the employer and 0.45% paid by the employee.

Who Pays FAMLI Premiums?

Premium Responsibilities under Proposition 118

Employer Type	Employer Premium	Employee Premium	No Premium
9 or fewer employees		✓	
10+ employees	✓	✓	
Participating self-employed		✓	
Participating local government employee		✓	
Nonparticipating local government			✓
Nonparticipating self-employed			✓
Employer with private plan			✓

Table originally published in Colorado Blue Book 2020. Legislative Council of the
Colorado General Assembly Research Publication No. 748-1

Counting Your Employees

- Employer count will be calculated **once a year**.
- Total # of employees = # of employees on the payroll during each of 20 or more calendar workweeks in the preceding calendar year.
- If an employer has ten or more employees who worked during 20 or more weeks in all of 2022, the employer is required to pay the employer share of the premium for all four quarters in 2023.
- Employees on leave must be counted if they are expected to return to active employment including:
 - paid/unpaid leave, sick or medical leave, other leaves of absence, disciplinary suspension etc.

Employer Premium Options

0.45%
premium

—

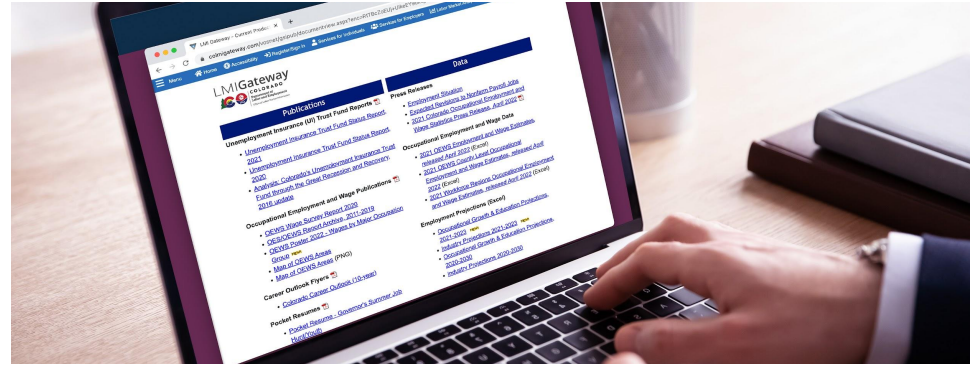
0.9%
premium

How much will employees receive when using FAMLI benefits?

Weekly wage	Weekly deduction	Weekly benefit	Maximum annual benefit	Percent of weekly wage
\$500	-\$2.25	\$450	\$5,400	90%
\$1,500	-\$6.75	\$976.60	\$12,216	65%
\$2,000	-\$9.00	\$1,100	\$13,200	55%
\$2,500	-\$11.25	\$1,100	\$13,200	44%
\$3,000	-\$13.50	\$1,100	\$13,200	37%

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**FAMLI
wages
=
SUI wages**



Wages subject to FAMLI premiums will be the same wages subject to Unemployment Insurance (UI).

[Payments Considered Wages](#)

EMPLOYEE PAY STUB

Last Name, First
POSITION TITLE

EMPLOYEE ID
KAA 9900000000

Payment Period
04/01/2023 - 05/01/2023

Payment Date
05/04/2023

Earnings	PAY PERIOD HOURS	PAY PERIOD GROSS	YTD
	168.00	5,000.00	20,000.00

Deductions	INFO	PAY PERIOD	YTD
NOT subject to FAMLI premiums	Kaiser Cafe 125 Medical	55.00	220.00
NOT subject to FAMLI premiums	EyeMed Cafe 125 Medical	5.00	20.00
NOT subject to FAMLI premiums	FSA Cafe 125 Medical	20.00	80.00
NOT subject to FAMLI premiums	Group Term Life Cafe 125	20.00	80.00
	401k Retirement Contribution	700.00	2,800.00
	Medicare	65.00	260.00
	Federal Tax	600.00	2,400.00
	State Tax	225.00	900.00
	Local Tax	5.00	20.00
	Social Security Tax	310.00	930.00
	FAMLI Premium	22.05	88.20

Example of FAMLI deduction
0.45% of wages (Gross wages - deductions
not subject to FAMLI premiums)

Total Deductions: 2,027.05 7,798.20

Net Pay: 2,972.95 12,201.80

Technical Support for Remitting Premiums and Submitting Wage Reports

Method / Function	Employer Registration	Wage Reporting	Payments
	Creating an employer account with FAMLI	Submitting employee wage data to FAMLI	Electronic (ACH) payment of premium contributions.
Online via FAMLI Employer Portal	✓	✓	✓
API (JSON)	✓	✓	✓
File Upload (XML) via FAMLI Employer Portal	✓	✓	No
File Upload (CSV) via FAMLI Employer Portal	✓	✓	No
Other Payment Methods ACH Credit via NACHA File, Check or Bill Pay	N/A	N/A	✓



Method is available for the function

Frequently Asked Questions

Wage Calculations

Q: When is Severance Pay considered wages for purposes of determining if premiums should be deducted from this type of payment?

A: Severance Pay is considered to be a wage that is subject to the employer premium, and it doesn't matter if paid in lump sum or installments.

Q: Should the premium amounts be reported in Box 14 of the W-2?

A: The FAMLI Division does not regulate income tax reporting requirements, and we encourage employers to confer with counsel, their accountant, and/or the IRS to ensure compliance.

Q: Can you clarify how employer premium payments can be rounded?

A: A fractional part of a cent will be disregarded unless it amounts to one-half cent or more, in which case it will be increased to one cent. Example:

- \$137.70**45** should be rounded down to \$137.70
- \$137.70**54** should be rounded up to \$137.71

We want to hear from you!

We want to build a FAMLI program that is fair and meets the needs of both employers and workers.

Please help us by:

- *Participating in our webinar series*
- *Sharing your ideas and concerns*

Your input is essential!



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Thank You!

Questions?

